Expansion of Mank Currency.

Secretary Gage answers the question as

"By necessary arrendments to the law

addition to the deposit, of security so required, banks permitted to issue notes as above shall pay semi-annually to the treasurer of the United States, in trust, an

amount equal to one-eighth of 1 per cent on their capital stocks, respectively, such payments to constitute a 'guaranty fund' for the protection of the note of any bank

which by reason of insolvency shall becom unable to pay its notes on demand.

Effect of the Changes.

"I venture now to present some estimates

of the effects of these amendments if in-

corporated into the law. If I am not mis-

taken, it would lead to an important in-

crease in the capital of the national banks.

Their total capitalization at present is

\$663,000,000. They have a surplus and undivided earnings fund of \$430,000,000, the larger part of which could be put into the form of capital. With the moderate advantage afforded under the law so amended, a movement toward reorganization under the national act would take place in banks now doing business under state laws.

"It is safe, I think, to estimate that within three years the total capital of the page.

opportunity affords.
"Thus the problem of national finances
would be greatly simplified.

Objections Offered.

"Objections of various and vigorous kinds

will be offered to the propositions above

indicated. It will be asserted, on the one

hand, that to give banks privileges so great

will induce the creation of banks organized

for the sole purpose of note issuing, and

that the consequence will be a repetition of the former evils of a 'wild cat' currency. On the other hand, it will be objected that

the inducements to embrace the provisions contemplated are insufficient, and that the

scheme would fall for that reason. The first-named objection will not stand the

to issue circulation under present laws is equal, under the best possible conditions, to seventy hundredths of 1 per cent on its

capital stock, and perversely enough the present system works to reduce the advan-

Security of Guaranty Fund.

"Again, it will be alleged that the se-

curity furnished by the proposed guaranty

fund would be inadequate; that bank fail-

ures would soon exhaust its supposed pro-

tection, and losses would sooner or later

fall upon bank note holders. This is an important matter and all reasonable doubts

upon it, a careful analysis of the history of national banks for the last thirty-six years has been made. A hypothetical tax

of one-eighth of 1 per cent was charged against all the national banks from their

organization to date, and the amount so

imaginary guaranty fund. As individual banks from time to time have actually failed, it was assumed that had these banks

enjoyed the privileges above proposed they

would at the time of their failure have had

would at the time of their failure have had outstanding the full amount of notes allowed. The guaranty fund was then charged with the difference between the value of the securities held by the treasurer of the United States in trust and the face amount of their outstanding notes.

Afterwards the guaranty fund was credited with the amount which would have been

realized by the treasurer had he received the same percentage in dividends upon his claim for the guaranty fund as the final

to depositors. The result of this shows that all note holders would have realized

the face value of such notes without any

delay; that the guaranty fund, instead of being exhausted, would have steadily

grown, and that on the 1st of January of the present year there would have been an unused surplus to the credit of the guar-anty fund of \$27,421,950. This demonstra-

tion, drawn from past history, furnishes better evidence of the entire sufficiency of

a guaranty fund, to the end designed, than is usually enjoyed in human affairs when

it is sought in any direction to guard against the contingencies of the future.

A Powerful Objection.

"There is one more objection which will

be advanced-the only one that in my opin-

ion possesses any real merit. It will be af-

firmed that, with our system as it is-banks

constituted independent units, scattered over the land, with no general effective control anywhere lodged, with no principle of co-ordination or co-operation—the note-issuing function should be quite prohibited except upon absolute security, with ample margin deposited in advance. It might be broadly affirmed that while this weakness continues to exist banks should create no.

continues to exist banks should create no liability, either to note holders or depositors, and in what is said under the head of 'Banking' I have argued that to this general

weakness there should be addressed an ap-

"The best that can be said under present

conditions is that if our system be defective

For the Fiscal Year 1902.

The revenues of the government for the current fiscal year are thus estimated upon

From customs. \$250,000,000
From internal revents. \$282,000,000
From miscellaneous tources. 40,000,000
From postal service tources. 116,633,042

the basis of existing laws:

and to bring the light of experience

dredths of 1 per cent:

BON MARCHE.

314, 316, 318 7th St.

New Hair Ornaments.

sold and 50c. up.

A Sweeping Reduction! in Ready-to-wear Hats.

-Tomorrow will be notable for the greatest bargain in Ready-to-wear Hats that has ever been offered in Wash-

-Every Ready-to-wear Hat in the house reduced to the one price-98c. Hardly a limit to the styles-some are Felt Hats, handsomely trimmed-some Draped Hats -some Velvet Hats-in all the colors and black. No matter whether they were \$1.50, \$2, \$3, \$3.50 or \$4-

They are all = =

Hats at - - 98°.

Another startling reduction. Fine Mirrored Velvet Hats, in all shapes and colors, including the ever-wanted black—made with the effective corded brims. Hats that were \$2.50 and \$3, for 98c.

Reduced to = .49°. They were \$1—and include Ladies' and Children's Bright Satin Finish Felt Hats—both flats and shapes—in black and colors. All 49c.

Children's Soft Felt Hats, in all colors. To- 25°.

75c. & \$1 Hat 25°. Trimmings - 25°.

Breasts, Wings, Birds and Pompons, including all the most wanted kinds and styles that sold for 75c, and \$1.00. Tomorrow, 25c.

Reduced to - . 69°. Fine \$1 Silk Velvets, in black and all colors—a leading special tomorrow at 69c.

4 and 5-in. Ribbons for -

Not a yard ever sold less than 39c. before. The lot includes 4 and 5-in. Satin Taffetas, Louisines, Plaids, Liberties, Peau de Soies, Dresdens with satin borders, and Satin-stripe Taffetas. They suggest themselves for both millinery uses and fancy work. Tomorrow, 25c.

2-in. Velvet Ribbons The 35c. quality. No. 12 Satin-back Velvet Ribbon-one of the most wanted widths for both millinery and neck wear-for 23c. yard.

Reduced to - 25°.

Better Bows than 39c. usually buys. Made of gauze, double-face satin rib-bon, liberty and black velvet ribbon-black and all the evening shades—25c.

BON MARCHE, 314-316-318 7th St.:

At the Inter-Ocean Building. "The Home of Credit."

At the Inter-Ocean Building. "The Home of Credit."

Wonderful Doings This Week at the Inter-Ocean Building.

\$4.50 Miller Oil Heaters, guaranteed not to \$3.29

Two \$28 Hall Racks, \$21

\$6.50 Solid Oak, 6-foot Extension \$3.85

\$6 Oak Writing \$3.85 Desks, with drawer.\$3.85 \$7.50 Morris

Chairs, good velour \$4.95

\$25 Inlaid 3piece Parlor \$16.60 25% off marked prices on all

Rattan and Bamboo work.

Credit Terms to Suit.

\$6.50 Oak Chiffoniers, 5 large \$3.85

\$8.00 Chiffoniers for . . . \$4.65 \$9.50 Chiffoniers for....\$6.80 \$12.75 Chiffoniers for \$8.90 \$18.00 Chiffoniers for . . . \$12.00 \$7 Fine Oak
Shaving Stands. \$4.85
Special at......

\$2.50 Very Large Golden Oak Rock-ers......\$1.79 \$8.50 Mahogany Music Racks, with \$6.50 \$1.75 Solid Oak \$1.10 Plate Racks..... A wonderful showing of

beautiful Toilet Tables. Goods Reserved.

Lansburgh Furniture Co., Inter-Ocean Building, 512 Ninth St.

Gas Fixtures.

~+0+0+0+0+0+0+0+0+0+0+0+0+0+0+0+0+0

Electroliers.

Lamps.

We have every size for every purpose, including the small Night Lamp and the Kitchen Lamp, as also a large variety of Ornamental Parlor Lamps. A fine Reading Lamp, either nickel-plated or brass, complete,

Oil Stoves.

Just the thing to heat a room in the most economical way. Prices \$1.85, \$2.85, \$3.50, \$4.25, \$5.00.

Gas Heaters

Are kept on hand for either cooking or heating, from the 1-burner for 20c. to the largest Gas Range. A fine little Gas Heater only \$1.25. Call and see our Radiators. \$2.75, \$3.00, \$3.50.

Drop Lights.

A new fine stock just in, including Bronzes, etc., and a neat brass standard, including best tubing, and complete, only \$1.50. See our Beacon Drop Light, with shade, 84c. Electric Portable, complete, \$1.75.

C. A. Muddiman & Co.,

616 12th St.

Use Erup Water for Trouble. It's a wonder. Ask your Druggist or

TO EXPAND CURRENCY

Secretary Gage Submits a Plan to

ANOTHER BASIS FOR CIRCULATION

Thirty Per Cent of Bonds and Twenty of Greenbacks.

REPEAL OF THE WAR TAXES

Secretary Gage's annual report to Congress, submitted today, was of unusual interest because of recommendations regarding the reduction of the surplus revenues and for changes in the national banking laws that will permit an expansion in the issuance of bank notes. On the subject of reducing the surplus

Secretary Gage says: "The estimates for the fiscal year ending June 30, 1902, indicate a surplus of \$100,000,-000. For the next fiscal year, 1902-1903, there is to be an estimated surplus of a little more than \$23,000,000. It will be noticed that the estimates of expenditures for such year, 1902-1903, are more than \$83,000,000 in excess of the probable expenditures for the current fiscal year, 1901-1902. It is further to be observed that estimates coming in from the several departments for a year not yet entered upon are not conclusive that the sums so estimated will be appropriated by Congress, or, if appropriated, ac-

tually disbursed from the treasury." A table is presented which shows that in the eleven years it includes, with one exception, expenditures have been below both the estimates of the departments and the sums appropriated. Therefore, it may reasonably be assumed that in the next fiscal year a similar result will ensue, which will operate to increase the now estimated surplus of \$23,000,000.

"It is apparent that absolute accuracy in future estimates concerning receipts and disbursements cannot be reached. Enough appears, however, to justify a conservative reduction in taxes.

Repeal of the War Taxes. "Congress must be the final judge as to what particular objects of taxation and in what degree reduction in rates shall apply In my opinion, it would be within conservative limits to reduce revenue to the extent of \$50,000,000. As a first step in that direction, I recommend for consideration the repeal of all the miscellaneous taxes known as war taxes. These items (exclusive of the increased tax on fermented liquors, tobacco, tea and mixed flour) are estimated to produce \$27,500,000. They are in their nature vexatious, in some instances oppressive and, separately considered, yield but small

On the subject of banking Secretary Gage makes the following statement and recommendations:
"Admirable in many respects, experience

shows that our banking system is devised for fair weather, not for storms. This can be clearly shown. The individual banks stand isolated and apart, separated units, with no tie of mutuality between them. There is no obligation of duty from the strong to the weak or exposed, nor any method of legal association for common protection or defense in periods of adversity

In Time of Financial Distress.

"No sooner do the symptoms of financial and business trouble appear than the banks, under the ruling principle of selfpossible their operations of loaning and discounting. They cease to give credit upon their books in exchange for debt obligations from their dealers. The daily creations of the necessary medium of exchange, bank credits, cease, or become entirely inadequate to commercial requirements. The daily natural liquidation of credits continues, resulting in contraction. Business men, carrying goods and securities by the aid of bank credit, are obliged to sell with little regard to cost. Contemplated en-terprises are abandoned; orders for fu-ture delivery of goods are rescinded, and as these successive steps mark the down-ward movement, the banker becomes the more reluctant to perform his important function of loaning his credit for commercial and industrial uses. We thus per-ceive that the bracing support which had promoted and sustained business progress— without which, indeed, such progress would have been impossible—is withdrawn at the very moment when support is the most needful. What should be, under such circumstances, an orderly, conservative movement to more secure conditions becomes a disorderly flight, an unreasoning panic, in which at last the entire business public is

The Principle of Federation.

"Argument has been put forward for a system which contemplates a large central bank with multiplied branches. That system does, indeed, afford the elements which would give the highest assurance of protection against the present evil of individual banks, each an independent unit, with no bond of cohesion, no power of co-operative action, no ability to co-ordinate for the general good or for mutual defense. But the proposition for large central banks, with broad powers for the establishing of branches, offends the common instincts of our people, and may fairly be looked upon as at present impossible of realization.
"Cannot the advantages of such a system

cannot the advantages of such a system be gained in an entirely different form? Cannot the principle of federation be applied, under which the banks as individual units, preserving their independence of action in local relationship, may yet be united in a great central institution? Formed by some certain personage of central ed by some certain percentage of capital contributed by the banks themselves, and its management created through the suf-frage of all, it would represent the interests of the whole country. With limited powers of control over its membership in the interest of common safety, confined in its dealings to the banks and to the government, it could become the worthy ob-ject of a perfect public confidence. By the concentration of unemployed reserves from sections where such reserves were not needed, it could redistribute them in part as loans where most needed, and thus bind together for a common strength and protection the loose unrelated units, in whose separation and isolation the greatest weakness of our banking system is now to be

The Existing Currency. "Having presented as above the defects of our banking system in their larger as-

pects, I venture now to speak of that important medium of exchange designated the currency, meaning by that word paper money, whether issued by the government or by the banks under the powers conferred upon them by the law. Excluding treasury notes of 1890, now in course of extinction, silver certificates and gold certificates, which represent actual coin held for their redemption, there are now extant in the public service 346,000,000 of government notes (greenbacks) and a little more than 360,000,000 of national bank notes. Neither of these can with economic propriety be called money—real money. They are alike promises to pay, and their value rests upon the ability of the maker of the promise to perform the obligation set forth in the promise. Under the provisions and conditions of the law as it now stands, the limit in volume of these obligations is substantially reached.

12th St.

1204 G St.

Andirons.

Andirons.

Mineral
Water for

Ottre, Obesity, Scrotula and Kidney a wonder. Ask your Druggist or it or address

Young & Clark,
GLENCARLYN, YA.

1204 G St.

Andirons.

1204 G St.

Andirons.

Andirons.

Andirons.

Andirons.

Andirons.

Andirons.

Andirons.

Andirons.

Tailor - made GOWINS

Tailor isting laws the revenues of the government

ments, in what way can the element of supply be made adaptable to demand?" WONDERFUL HYOMEI

LUCKY MANUFACTURERS.

"That any national banking association which shall deposit 30 per cent of its capital in the form of United States bonds at their par value, and 20 per cent of its capital in United States legal tender notes, with the treasurer of the United States, as security therefor, shall be entitled to issue its circulating notes to an amount equal to its paid-in and unimpaired capital. In addition to the deposit of security so re-Physicians can now look forward to the coming winter without any fear or anxiety regarding the thousands of weak-lunged and catarrh afflicted patients under their

Facts furnished by the Bureau of Vital Statistics in Washington have proven heyoud the least shadow of doubt that consumption is curable, that all respiratory diseases can be eradicated completely and the death rate reduced wonderfully by the use of the new remedy, HYOMET.

HYOMEI is a dry air germicide found in Australia, the first one ever known which can be inhaled in the air we breathe, the only possible method by which the germs of these diseases can be

LUCKY MANUFACTURERS.

Never before in the whole history of medicine has any remedy manufactured for these diseases received recognition by the United States Health Reports or been successful in reducing the death rate one iota, and it is expected that all physicians from this time on will use this one treatment and no other. Of course this means a tremendous demand for the new germ icide and a fortune to the manufacturers, a reward which they richly deserve.

in three years the total capital of the national banks would increase from the present amount of \$663,000,000 to \$1,000,000,000.
"In my opinion, the obligation of the gov-LACK OF SUPPLY FEARED. Undoubtedly thousands of lives will be ernment to pay the notes of insolvent banks should be rescinded. Fidelity in the discharge of its duty as trustee should be the end of its responsibility. While its absolute guaranty remains a feature of law, the saved during the coming winter through the new treatment, but as this germicide is only obtained in Australia and at certain seasons of the year, it is feared the manufacturers have not a sufficient supply broad question will again and again recur. If the government is to take the ultimate on hand to meet the increased demand. and final risk of bank notes, why should it not enjoy the immediate and continuous All of those who are afflicted with coughs, catarrh or consumption should, profit arising from the circulation of paper money issues? There is a good answer to therefore, obtain an outfit of Hyomet from their druggists at once, or send to this plausible inquiry, but it is not obvious, and to make the answer clear would re-quire a more extended treatment than this

a free sample of the new remedy. The R. T. Booth Co., Ithaca, N. Y.

THE R. T. BOOTH Co., Ithaca, N. Y., for

and departure of Chinese laborers and stating the abuses of the privilege of passing through this country by excepted classes the Secretary says:

Legislation is recommended by the commissioner general to define more narrowly the term "merchant," as well as to prescribe conditions, corresponding to those with which this class of Chinamen has to comply, for the admission of merchants' wives and minor children. For the purpose of enabling the administrative officers to investigate thoroughly the veracity of statements as to circumstances occurring in China, upon which claims to admission to this country are based, additional legislation is also recommended.

The report further shows that Chinese

test of fair examination. As to the sec-ond, it will appear that, though the induce-ments are not large, they are sufficient. As previously noted, the advantage to a bank persons who have been refused admission at ports of entry on the Canadian boundary as members of one of the excepted classe subsequently cross the border and are ar-rested and carried before judicial officers upon their claim of having been born in this tage in those regions where bank notes are the most useful form in which bank credit can be extended to borrower. Where the rate of interest is 4 per cent, the advantage or profit is seventy hundredths of 1 per cent; where the rate of interest is 8 per cent, the profit falls to thirty-one nundredths of 1 per cent. country. The total number of those dethe mandates of the courts for their de-portation amounted to \$46,940.44.

tions, furnishes an important subject for investigation and appropriate action by Congress. If the laws should be renewed or their provisions extended the department would be pleased to furnish a statement covering certain administrative betterments suggested by experience in their important matter and all reasonable doubts in this particular should be removed. The proposition involves the contribution of one-eighth of 1 per cent annually on the capital of all banks which may avail themselves of its provisions.

"In order to get some data on this point enforcement.

ing a deficit of \$684.67.

"The actual financial operations of the island are encouraging. The treasurer of the island reports that during the fiscal year ended June 30, 1901, the total expenditures aggregated \$2,101,314.88. The funds actually received by the treasurer in this period were \$2,357,335.03, and the excess of receipts over expenditures was \$256,020.15. Of the total receipts, the net sum of \$489,019.13 is charged as trust funds, thus making the excess of expenditures over receipts actually deposited in the insular treasury and available for current expenditures \$232,998.98. The amount of expenditures \$232,998.98. The amount of revenue collected during the fiscal year in the United States upon exports from Porto Rico and held under the terms of congressional legislation as a fund for the government and benefit of Porto Rico was \$609,937.33. The ordinary expenditures of the island during the first fiscal year of civil government were accordingly \$376,938.35 less than the revenues actually available.

"For the fiscal year ending June 20, 1909.

"For the fiscal year ending June 30, 1902. the outlook is no less satisfactory. As reported by the treasurer, the estimated expenditures of the island during this period aggregate \$1.976.802.21. The estimated revenue of the standard revenue nues for the same period are \$2,000,118, or \$23,315.79 in excess of authorized expenditures. In reality, however, the condition of the insular treasury is much more faverable by reason of the existence of ex-traordinary reserve funds, aggregating more than one and a half million dollars. Of these, \$642,619.30 represent revenue col-lected upon imports into the United States from Porto Rico from May 1, 1900, to July 25, 1901, designed in aid of current expenditures during that period, but left absolute-ly intact by virtue of the careful financial policy pursued. The remaining amount is the unexpended portion of the "customs refund,' subject to allotment by the Presi-dent of the United States for use and benefit of the people of Porto Rico. It has been a fundamental policy of the insular adbeen a fundamental policy of the insular administration to reserve these funds for emergency expenditures and for public improvements not properly chargeable to current revenue. But their mere availability in aid of expenses of maintenance, should the extraordinary occasion therefor arise, constitutes an element of great strength in the financial future of the island.

"Without a dollar of funded or faceting in

The Hawaiian Debt. Of the total Hawaiian debt of \$2,247,331

Total estimated revenues...\$688,633,042
The expenditures for the same period are estimated as follows:

For the civil establishment...\$110,000,000
For the military establishment... 115,000,000
For the naval establishment... 70,000,000
For the Indian servics...... 11,000,000
For pensions....... 137,000,000 Five steerage stewards employed by one of the transatlantic lines were arrested in Hoboken for smuggling in leaf Sumatra

of Human Life."

Horehound

Men's Overcoats.

Our Overcoat Department has been constantly crowded with men who know and appreciate GOOD clothing. They tell us that we have the best assortment and best fitting Overcoats in town. Special big values here in those long, loose fitting swagger Overcoats

\$12.50 & \$15.00.

Every Garment has a smart up-to-date individuality that bears the unmistakable imprint of artistic skill and superior workmanship. All the correct fabrics and most popular colors, Black, Brown and Oxford. Cut 48 and 50 inches long, with ample fullness to the skirt and the correct, close fitting lapels. Sizes and shapes to fit all men.

Chery & Moran Co., The Men's Store, 811 Pa. Ave. N.W.

Lansburgh & Brother.

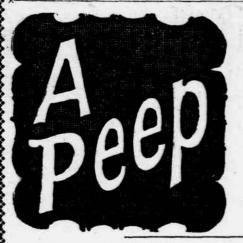
NOTICE All Pocket Books from \$1.00 up Stamped Free.

All Stiverware Engraved Free.

Monograms Engraved on Umbrellas Free.

CARD ENGRAVING.

Leave your orders now for the holidays, so you may escape the great rush. Nothing makes a more acceptable Christmas present than a nicely engraved plate with your name on and 50 cards. All work guaranteed. All engraving nicely boxed.



within our store shows great selling just now. One's imagination may safely run riot among the beautiful fabrics of the season. Richness, delicacy, newness in weave and design will attract your admiration. Here are some for tomorrow which will serve to introduce you to the price advantage linked to the beautiful.

\$1.50 Broadcloth, 98c.

52 inches wide, all wool-a very pretty lustrous finish. Our own collection of colors—the newest and prettiest blues, reds, browns, greens, tans, modes, castors, plums and black. This is positively \$1.50 value. For tomorrow-98c.

\$2 French Venetian, \$1.49

52 inches wide, all-wool, dust-resisting. We are showing a complete line of new fall colorings, including black. These goods cannot be matched for less than \$2.00 a yard and they are good value at that. We will offer them for tomorrow at \$1.49.

\$2 Panne Broadcloth, \$1.69

52 inches wide, all-wool, permanent finish; all the wanted colors, such as royal, navy, marine and electric blues, turquoise, hunter, myrtle and bottle greens, Havana, golden and seal browns, military, cardinal, garnet and wine, plum, violet and black. These goods were imported by us and have never been offered for less than \$2.00. Special for tomorrow-\$1.69.

Overcrowding Brings Notable Bargains in Our Linen Department.

Some special values in Holiday Linens, size 2x2½ yards, fine quality white damask, open-work border luncheon sets, \$4.00 Regular price, \$5.00 per set.

Size 2x2½ yards, extra quality German Damask Hemstitched Table \$4.50 Sets. Special price per set..... \$4.50 Regular price, \$5.50 per set.

Size 2x2½ yards, fine quality White Satin Damask Luncheon Sets, with sewed fringe. Special price, per \$5.00 Regular price, \$6.00 per set.

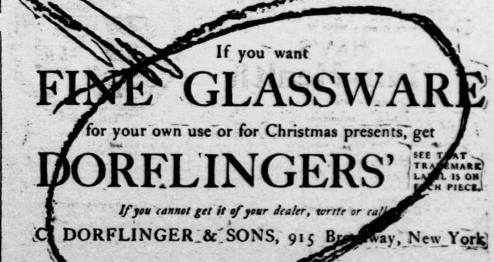
Size 2x21/2 yards Plain White Fringed German Damask Table Cloths. \$1.69 Regular price, \$2.00.

4-4 Plain White Knotted Fringe German

Regular price, \$2.50.

Damask Tea Cloths. Special 75C.
Regular price, \$1.25.
Linen Dept,—New Annex.

Lansburgh & Bro., 420 to 426 7th St.



Horse BLANKETS.

LUTZ & CO., 497 Pa. Ave. Horse BLANKETS.

Hair Goods at Half Price. Imperial Hair Regenerator for re-

storing gray hair. Natural color, \$1.25 S. HELLER'S.

Chinese Exclusion.

for the fiscal year 1903 will be: Total estimated revenues.....\$712,020,630
For the same period the estimated appropriations, exclusive of the sinking fund, will be \$688,848,818, or a surplus of \$23,172,-811

Fiscal Year 1903. It is estimated that upon the basis of ex-

ported during the year under judicial de-cisions was 328, and the cost of executing The laws relating to the exclusion of Chinese expire by limitation on May 5, 1902. The re-enactment of these laws, either as they now stand or with modifica-

enforcement.

Of the appropriation of \$160,000 for the administration of the Chinese exclusion laws there was expended for salaries and expenses of officers \$110,482.35; for deportation of prisoners, \$46,940.44; miscellaneous expenses, \$3,261.88; total, \$160,684.67, leaving a deficit of \$684.67.

Porto Rico's Finances. The final reconstruction of Porto Rico is reviewed in some detail and the Secretary

conditions is that if our system be defective it is much better than none. Banks are as essential in the business affairs of the people as railroads and ships are essential in the transportation of commodities. The note-issuing function, within the limits of entire safety, is as legitimate and as serviceable to the community as is the issuing of bank credit in any other form. It is a question in which the convenience of the people and the economical use of bank credit are concerned. The objection last considered, then, is good as a general criticism to our system of banking, but will not apply with any peculiar force to bank-note issues of currency under the conditions of joint security from bonds and a sufficient guaranty fund.

For the Figer Year 1902. "Without a dollar of funded or floating in-debtedness, with a current income estimat-ed as sufficient to meet the ordinary ex-penses of government, with large reserve

penses of government, with large reserve funds to provide for unforeseen or extraordinary contingencies, and with a lighter burden of taxation upon the real economic life of the island than at any time in its history, there seems every reason for regarding the financial future of Porto Rico as bright and auspicious."

The collector of customs reports that during the first year of civil government in Porto Rico, from May 1, 1900, ta April 30, 1901, the total value of imports was \$9,658,497, of which \$7,706,950 represented products of the United States, leaving those of all other countries valued at \$1,951,547.

The total value of exports was \$8,180,409—to the United States, \$5,283,311, and to all other countries, \$2,897,098.

The Hawaiian Debt.

the treasury has redeemed all but \$1,019,-480, of which \$1,012,600 is in bonds held in London, which cannot be redeemed until January 1, 1902.

20000000000000 Total estimated expenditures.. 588,633,042 "Anxiety is the Poison

> Hale's Honey of and Tar